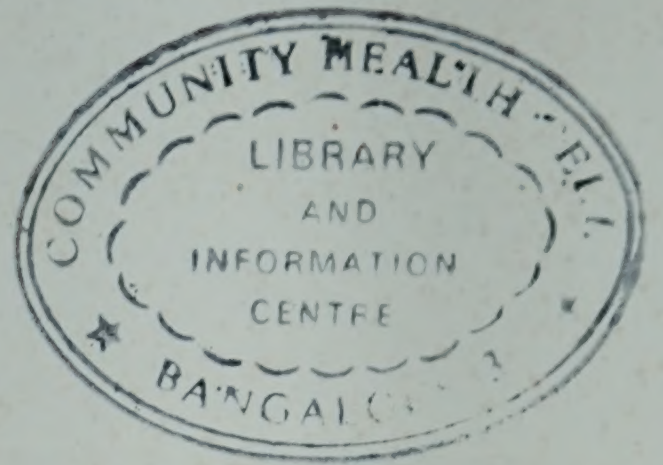


# Incentives and Disincentives

The Family Planning Foundation





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# **INCENTIVES AND DISINCENTIVES TO PROMOTE FAMILY PLANNING**

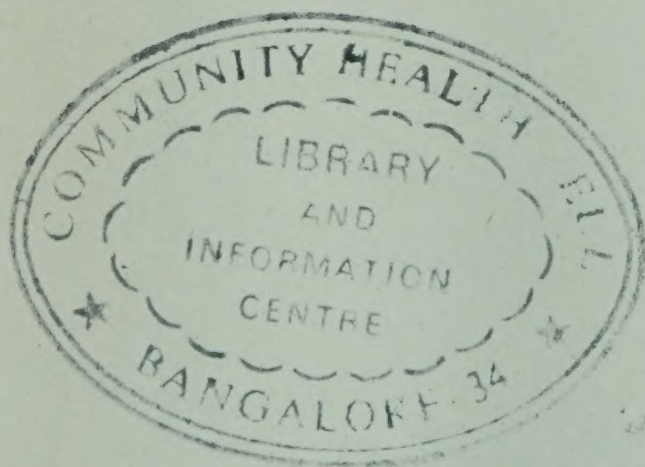
**A STUDY BY  
THE FAMILY PLANNING FOUNDATION**

**NOVEMBER, 1982**



INCENTIVES AND DISINCENTIVES  
TO PROMOTE FAMILY PLANNING

A STUDY BY  
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## C O N T E N T S

Foreword	v
Acknowledgement	vii
The Background .....	1
Concept of Incentives and Disincentives and their Operation :	
Incentives .....	3
Disincentives .....	6
Experiments in Asian Countries.....	8
Legal and Ethical Implications.....	10
Nature and Size of Incentives.....	17
Recommendations .....	23
Annexure I — Participants in the Task Force	33
Annexure II— Disincentives considered by State Governments in 1976.	34







## FOREWORD

The alarming increase in India's population and the unsuccessful attempts to bring down the growth rate to anything like the norm aimed at has given rise to unprecedented political, economic and sociological problems. The dimensions and the diversity of these problems are pregnant with such dangers to our body politic that they must be tackled on the proverbial war front. The whole question of devising and implementing means of demographic control must be studied from every possible angle. It is not enough to produce, provide and recommend the various modes of preventing conception and prematurely terminating pregnancy. It is necessary to make the people aware of the urgency of the matter and to create, by all possible means, a demand for medical, paramedical and surgical methods of reducing the stubborn growth of our population.

To achieve this objective, no efforts should be spared. No device, no strategem of proved efficacy is too expensive, for the very existence of our society is at stake. It has been observed that there is adequate awareness of the problem among the more affluent and better educated individuals, but the less economically viable and uneducated masses are either indifferent to the information and advice tendered to them in this behalf or positively resist the persuading, the cajoling and the verbal threatening implicit in the enforcement of the family planning scheme. This indifference and resistance are the product of the economic considerations. The family needs as many workers and wage earners as possible. The low percentage of infant survival militates against the adoption of advice to keep the family small. Who will look after the old people if they do not have children?

So, a sufficiently effective economic remedy must be administered to bring about a healthy balanced and farseeing attitude toward the whole business of population control, a remedy which will not only be readily accepted but will be demanded and sought after by the masses at all levels. We believe and sincerely hope that an adequate scheme of incentives and disincentives can provide the remedy we are seeking.

The Family Planning Foundation, a voluntary organisation for financing research and promotional activity in population concerns examined the whole question of incentive and disincentives in terms of concept, operation and effectiveness as well as its legal and ethical aspects. A group of eminent jurists, and demographic experts made a close study of the matter, taking into consideration, the acceptability, viability and the legality of the various types of incentives and disincentives which held promise of rewarding efficacy. The constitutional aspect of imposing disincentives was examined in depth, and anything that could



be interpreted as a deprivation of an individual's rights as a free citizen of India was rejected. In the following pages the suggestions formulated as the result of the deliberations and advice of the body of experts are set out. A perusal of the list of persons consulted and who happily gave their advice will convince the reader that the recommendations set out here have not been made lightly or without diligent circumspection.

It is necessary to give the widest publicity to these measures, and it is hoped that the Government and all who are concerned with the administration and guidance of public, as well as private establishments, will give their earnest attention to them and adopt them to the extent and in the manner possible.

G. D. Khosla



## A C K N O W L E D G E M E N T

The study entitled "Incentives and Disincentives to Promote Family Planning" is the result of a joint effort of a number of people belonging to various disciplines and backgrounds with the highest expertise related to the subject.

The Task Force constituted for the purpose consisted of —

Mr. Justice G. D. Khosla, Member, Governing Board, — *Chairman*  
Family Planning Foundation

Mr. S. P. Ahuja, President, Centre for Research Planning and Action.

Mr. Raj Arole, Director Comprehensive Health and F.W. Project,  
Jamkhed, Ahmednagar District (Maharashtra)

Mrs. S. M. Bhandare, Lawyer and Jurist, Vice Chairman,  
Supreme Court Bar Association, New Delhi

Dr. P. N. Chuttani, Medical Educator, Ex-Director, Postgraduate  
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Dr. M. E. Khan, Associate Director, Operations Research  
Group, New Delhi

Professor R. K. Maru, Political Scientist, Indian Institute  
of Management, Ahmedabad

Mr. P. Padmanabha, Registrar General, India

Dr. V. A. Pai Panandiker, Director, Centre for Policy  
Research, New Delhi

Mr. P. G. Ramachandran, Marketing & Management Expert, New Delhi

Dr. V. Ramalingaswami, Director General, Indian Council of  
Medical Research, New Delhi

Professor J. D. Sethi, Economist (former Member, Planning  
Commission), New Delhi

Dr. S. M. Shah, Adviser, Programme Evaluation, Planning  
Commission, New Delhi

Dr. L. M. Singhvi, Jurist and Lawyer, Chairman, Supreme Court  
Bar Association, New Delhi.



Every member of the Task Force gave the fullest help and cooperation. To each one of them we owe profound thanks. Overall work on the study was done under the leadership of Mr. Justice G. D. Khosla, Jurist, former Chief Justice of Punjab and currently a member of the Governing Board of the Family Planning Foundation. Our special thanks are due to him. Eminent jurists and lawyers — Mr. N. A. Palkhiwala, Mr. Soli J. Sorabjee and Mr. J. Dadachanji — gave valuable and helpful suggestions in the development of the study. Our sincere thanks are due to each of them.

The staff of the Foundation worked on the formulation of the study collectively, but special commendation is due to Dr. V. K. Ramabhadran, Programme Director (Special Studies) of the Foundation, who made the basic study, as also drafted and prepared the study in its present form.

J. C. Kavoori



## INCENTIVES AND DISINCENTIVES TO PROMOTE FAMILY PLANNING

### THE BACKGROUND

1. The 1981 Population Census of India has brought out the disturbing fact that the population growth is unabated with a growth rate of 24.75 per cent in 1971-81 which is not different from the rate of 24.80 recorded in the decade 1961-71. One of the conclusions that these figures permit is that at the national level, the family planning programme has not yet succeeded in its quantitative objective of containing the burgeoning population though it might have achieved some success in increasing the awareness of the people and establishing a delivery system of contraceptives. That the nation should find itself in a stage when it has to feed, clothe, house and educate 684 millions is surely a great disappointment to those planners who three decades ago recognised that the prevailing birth rate of 41 per thousand was high and adumbrated an antinatalist policy which was a historic first in the annals of government population policy.
2. With a population base of 700 million in 1982, the figure of a billion by 2000 AD is a definite possibility with an annual growth rate of even 2 per cent. It is not merely a question of numbers; there are ominous structural implications not to speak of the degradation in the physical quality of life. Indian population would be much larger before it can cease to grow because of what is called the 'momentum of population growth'. The legacy of past high birth rates is that we have a broad-based pyramidal age structure; with 40 per cent of the population below the age of 15 years; with ever-growing cohorts moving from the early teens into the child bearing ages and with potential fertility much higher than the cohorts leaving the reproductive age group. Even though declines in fertility through effective family planning may begin to affect the numbers in the youngest age groups, the child bearing population (already born) will continue to grow for quite some time. It is estimated that to the stock of 120 million couples at present, there would be an addition of over 2 million couples each year. The family planning programme has not only to increase the contraception level of the couple stock progressively but has also to provide for new entrants every year.
3. Short-term and ad-hoc demographic goals were frequently announced. The ambition expressed in the First Five Year Plan (1954-59) was "to achieve a reduction in birth rate to the extent necessary to stabilise the population at a level consistent with the requirements of the national economy". The demographic goal, which was made explicit in 1962 was the reduction in birth rate to 25 per thousand by 1973 — a target which was considered feasible on the basis of



“Peoples’ attitude towards small family”. But despite the various strategies followed since the beginning of the family planning programme, the overall drop in birth rate was only to the level of 33 per thousand\* — a reduction of 8 points in nearly three decades. It is not intended to examine the causes of the failure of the programme to achieve its stated objective as they are mixed up with the whole question of population — development nexus on which there could be differences of opinion as to cause and effect. Devoted planners could say that high population growth has nullified the gains of economic development, ardent sociologists could bemoan that the requisite social change and mobility had not occurred. In retrospect, however one point which is clear is that the family planning programme as implemented so far has not been able to give effective contraceptive protection to 40 per cent of the couples of reproductive age group which was the contraception level necessary to reduce the birth rate to 25 per thousand. The percentage of couples effectively protected was not even 24 in 1982.

4. Moreover, the difficulties in undertaking a policy of fertility reduction in India (with a high rate of population growth) increases rapidly as time passes since many more families will need to be involved to obtain a percentage reduction in fertility in future years equal to that which is attainable now with a smaller reproducing population. For example, the officially accepted policy of reducing the birth rate to 21 per thousand by 2000 AD would require protection by a modern method of contraception to 60 per cent of the eligible couples. In absolute terms the figures are even more staggering. We have to raise the couple protection from the level of 28 million in 1981-82 to over 90 million by the turn of the century, i.e. an average increase of 3.5 millions per year in couple protection.

5. Set against such dimensions of performance requirement, suggestions that a drastic reduction in infant mortality would increase the acceptance rates or that social development should be speeded up, do not seem to match the task or the time-frame, though they are desirable goals in themselves and may have also a synergistic influence in depressing high birth rates. What requires serious consideration are measures which would directly raise the contraception acceptor rate in the community from a level of 24 per cent of eligible couples in 1982 to 60 per cent in less than two decades. While the ineffectiveness of the programme to influence the fertility behaviour should be corrected with due regard to human dignity and basic rights, it is time to realise that population policies to limit fertility must go beyond supplying contraceptive materials, services and information to individual couples. A highly relevant but critical area is the adoption of policies by the government and non-government bodies which seek directly to influence the fertility behaviour of families by various incentives and disincentives.

6. The time factor definitely compounds our population problem and we therefore need a strong family planning programme effort in which a system of economic

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\* This is the estimate for 1979 from Sample Registration System of Registrar General. But on the basis of 1981 Census, the Registrar General has estimated the birth rate for the decade 1971-81 as 37.1.



incentives and disincentives have to come in. The Family Planning Foundation (FPF) therefore felt that the whole question of incentives and disincentives needed a close look not only in terms of concept, nature, size, operation and effectiveness, but also in regard to the legal and ethical implications. The Foundation prepared a comprehensive note on incentives and disincentives and placed it before an inter-disciplinary Task Force comprising leading medical experts, economists, demographers, administrators and jurists (Annex I).

7. Fortunately the family planning programme is now regaining ground but all too slowly in relation to the magnitude of the problem that confronts us. The Prime Minister has called for revamping the family planning programme and inaugurating the First National Conference of the Indian Association of Parliamentarians on 25 May 1981 stated "we are always receptive to new ideas and suggestions. Let us get together for consultations. *Can we not agree on incentive and disincentives*, on effective schemes and the best way to reach the people". It is against this background that this note examines in the succeeding paragraphs the role of incentives and disincentives in the "promotion of family planning on a voluntary basis as a people's movement" as envisaged in the 20-point programme and attempts to put forward a comprehensive scheme of incentives and disincentives which incorporates the major suggestions of the Task Force.

## CONCEPT OF INCENTIVES AND DISINCENTIVES AND THEIR OPERATION

### Incentives

8. Incentives and disincentives are not completely new ideas in the Indian family planning programme. As early as 1956, Tamil Nadu gave private medical practitioners a subsidy of Rs. 25 to perform vasectomy on men with low incomes. They were introduced in 1964 by the Central Government in the form of cash payment (monetary compensation) to acceptors and motivators and in 1980 they were proposed to be linked to insurance and housing in the case of Central Government employees. Some State Governments modified the scheme of incentives and Disincentives in 1976, the latter mostly directed towards employees of the public sector. Besides, the industrial houses such as Tatas and United Planters Association of South India (UPASI) had implemented incentive schemes as a part of the labour welfare schemes.

9. 'Incentive' may be defined as a tangible or intangible reward to an individual, couple, or other target group designed to induce specified fertility reducing behaviour.\* The incentives offered to individuals by government are of four types:

- (a) incentives to acceptors from the general public;

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\* Dr. H. P. David, Director, Transnational Family Research Institute, Bathesda, U.S.A. (Studies in Family Planning, Vol 18, No. 5, May 1982)



- (b) incentives to acceptors who are public servants ;
- (c) incentives to public servants who motivate ;
- (d) incentives to providers of professional services.

10. How are the incentives expected to influence the individual acceptors? Is reproductive behaviour 'adaptive'? There are various interpretations. The government regarded the cash incentives as a compensation for loss of wages and for the provision of diet and drugs to the acceptors. The cash incentives were modest and varied from Rs. 100 to 200 and it is a moot question whether by themselves they could induce the desired change in the behaviour of the acceptor. The acceptors might have either reached already a decision on fertility control on the basis of knowledge and motivation or responded to the persuasion of the local public servants who were keen to fulfil their quota of motivation and get their own incentives or at least escape the penalties. It is not unlikely that in the latter case, it is the public servant whose interest is served by the programme and the acceptor is a 'tool'. Cash incentives are no substitute for motivation nor should motivators relax their efforts on that score. Probably incentives provide a support for low motivation of individual. Though isolated field trials and studies have demonstrated the potential benefits of material incentives as an inducement to control fertility, there is no sound psychological theory. The mechanism of influence of incentives is not clear nor is the impact precisely measurable because of synergism between factors. But the offer of incentives stimulates people to talk about the family planning programme and thus it is helpful in promoting the programme.

11. Prof. Donald J. Bogue\* while examining policy implications of theory and research on motivation and induced behavioural change for family planning observes —

"the making of a payment to a person as an inducement to get him to go to a family planning clinic or to accept a packet of pills has three possible theoretical justifications:

- (a) Simple conditioning ;
- (b) Operant conditioning (reinforcement of desired behaviour) ;
- (c) Cognitive consistency — to justify his action the person changes his attitude."

After a careful review of the conditions under which these three theories work, Prof. Bogue rejects the one-time reward as the desirable mode of inducing behaviour. But a relevant consideration is that the behaviour change induced by incentives (assuming that it does so) is for the ultimate good of the individual and his family and is therefore not devoid of permanent values and long-term justification. Acceptance of an incentive as a reward to change one's fertility behaviour

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\* Director, Community and Family Study Centre, University of Chicago. (Expert group on Psychological Aspects of Fertility Behaviour, ESCAP, 1974)



is not monetary opportunism but one which confers benefits in the long-run (though the acceptor may not be fully conscious). The undesirable aspects are where the incentive scheme could be abused by the family planning functionaries to achieve their own quota of target set. Resort to coercion of clients, cooking-up of figures and low-quality of service either by recruiting ineligible persons or by a casualness in rendering family planning services are the results of abuse. The incentive scheme, therefore needs further rationalisation to make it a tool for promoting family planning. In this context, it is relevant to point out that Kerala which is one of the States with a successful family planning programme did not introduce cash incentives. Apart from the high degree of social development, particularly rural female literacy, the credibility of the family planning services were probably the influential factors in promoting family planning. Further, if the family planning programme is less officially-led and more public-based perhaps the full meaning and potentiality of the incentives scheme could be realised.

12. It is in this context that the community or group incentives commend themselves. Under these, villages or identifiable communities are rewarded either in cash or through a developmental programme for inducing couples of the area to control their fertility. They probably operate in three directions:

- (a) they generate community leadership which means increased popular involvement;
- (b) they confer benefits on the community which could be oriented towards their development and well being on a long-term basis;
- (c) the individual acceptor behaves in consonance with community interest and is not vulnerable to official pressures for achieving 'quotas'.

13. Community incentives have also been introduced by some states. Typical of these are the institution of an award of Rs. 1 lakh for the Zilla Parishad adjudged to be the best in the state in family planning performance, awards of Rs. 25,000 for the best Kshetra Samiti in every division and many awards of Rs. 10,000 each for the best Gram Sabha in every district. In Gujarat, competition between districts brought in the Ministers, MPs and MLAs of the district thus providing political consensus on family planning promotion. These amounts were to be used by these bodies for creating capital assets such as schools or health centres or public utility services such as wells, roads etc. Such group incentives take away the criticism applied to individual cash incentives about 'allurement' or 'exploitation of poverty'. The possibility of community incentives getting skewed in developmental distribution should be recognized and safeguards provided. The Task Force emphasized that to improve family planning, we have to concentrate on people below the poverty line and ensure that the benefits actually reach them instead of falling into the hands of the power group in the community. Incentives system must touch the daily life of the people and if it is not implemented in a just way the poor would become cynical.



## DISINCENTIVES

14. A 'disincentive' is a tangible or intangible negative sanction incurred by an individual, couple or other target group as a consequence of exceeding established standards of reproductive behaviour (H. P. David, op. cit). Like incentives, disincentives also leave room for voluntary decision making. It is no coercion because there is always the option for rejection. "The disincentive strategy assumes that population growth is of sufficient importance to make it a concern of governmental policy, that the conventional family planning approach alone is not sufficient and that government has a right to intervene in private behaviour to prevent what it considers to be excessive fertility (K. Davis, 1978 in US House of Representatives, Select Committee hearings on population)". Disincentives are also perceived as having educational effects, serving as forceful reminders of officially sanctioned family-size policies and oriented toward those who violate established standards of reproductive behaviour. Disincentives can reinforce public perception of small-family norms and encourage rational decision making by emphasizing cost-benefit factors *without preventing couples from having additional children if they wish to pay the cost entailed or forego benefits.*

15. Opinion of the Task Force was divided on the question of disincentives. One view was that it might infringe basic rights of individuals as disincentives could be punitive in nature. At the same time, it was felt that the child should not suffer the consequences of the irresponsible fertility behaviour of the parent and that some 'preventive disincentives' were desirable. An unborn child has also some rights and parents have no right to have a child if they cannot give that child a reasonable chance of getting its general potentiality. Yet another view was that if incentives are themselves made powerful, their absence would be a disincentive. But it was argued whether mere absence of reward could produce results without punishment. It was also mentioned that it is a biological phenomenon that, for changing the behavioural performance, mere absence of reward without punishment is not effective. Disincentives for a class of Government Employees was mentioned.

16. While the Central Government had not proposed a scheme of disincentives, some State Governments had formulated a scheme of disincentives which were mostly directed towards public servants. Annexure II gives a representative list of disincentives. It is seen that many of the disincentives were punitive in character for non-achievement of the 'quota' of motivation for sterilisation or denial of existing rights for public servants who exceeded the prescribed size of family. The U.P. government is reported to have withdrawn all disincentives. Admittedly, some of the disincentives directed against public servants affected their service rights. But if judged in the proper context, some of the disincentives could be rationalized. The main considerations are that disincentives should not be arbitrary and should not punish parents for their past fertility behaviour nor should it cause undue hardships for children born, in disregard of official policy. Any scheme of disincentive must have a prospective application and the con-



cerned persons must be given sufficient time to shape their attitude in the long-term interest of their family and larger interest of the community. Time is against us in realising the national demographic goal of replacement level fertility by 2000 AD and *if we now hesitate to introduce 'soft' measures, the need for 'harder' measures, a decade from now may become inevitable.*

17. An examination of the role of incentives and disincentives would not be complete without a consideration of the target-approach to the family planning programme. There has been an extreme view that incentives and disincentives are concomitants of the target approach of family planning. Was a target-approach necessary at all? India like many other developing countries had formulated its demographic goal in terms of specified reduction in crude birth rates as a part of its development strategy. To achieve the demographic goals, these countries had organized family planning programmes and in most cases set target numbers of acceptors of different family planning methods to be recruited. Target setting is a method of operationalizing a demographic target set in terms of a reduction in the crude birth rate. On the demand side, it indicates dimensionally the number of acceptors the programme must secure over a time-frame in order that the demographic goal may be achieved. On the supply side, it assists the administrators of the programme to plan the procurement and distribution of the contraceptives. If in the past the operational targets were not achieved the blame need not be on target setting alone, a greater share of the blame is on non-performance. In 1981-82, many States have exceeded their target for sterilisation. Maharashtra by 66 per cent, Gujarat by 47 per cent, Himachal Pradesh by 43 per cent, Kerala by 21 per cent, Andhra Pradesh by 18 per cent, Punjab by 15 per cent, Rajasthan by 11 per cent and Tamil Nadu by 4 per cent. Karnataka, Haryana, Madhya Pradesh, Orissa and West Bengal came close to the targets, while Bihar achieved 56 per cent and U.P. barely 38 per cent of the targets. The programme executives must seek new ways to improve the programme performance, keeping in view the targets. Also with the help of the targets distributed to administrative areas, the monitoring and evaluation of the programme becomes easy.

18. Another criticism that is voiced is that target setting has stressed sterilisation and consequently most of the incentives and disincentives revolve round sterilisation. Given the demographic objective, a certain number of acceptors under each method would have to be recruited each year depending upon the 'contraception mix'. With 35 per cent of the births being of the fourth and higher orders (which could be regarded as a completed family), terminal methods are definitely required to cover this segment of couples. A computer exercise carried out at the International Institute of Population Studies, Bombay on behalf of the Working Group on Population Policy constituted by the Planning Commission has indicated the contraceptive levels needed under different mix of methods to take the nation towards the goal of Net Reproduction Rate = 1 (implying a birth rate of 21 per thousand) by 2000 AD. Three types of 'mix' were suggested: Low priority sterilisation (1:4 ratio between sterilisation and other methods), medium priority



sterilisation (1:2 ratio) and high priority sterilisation (1:1 ratio). For example, the required number of acceptors in 1985-86 are indicated in the table below:

<i>Contraceptive Mix</i>		<i>Acceptors required in 1985-86 (in million)</i>		
		<i>Sterilisation</i>	<i>Other methods</i>	<i>Total</i>
Low Sterilisation	(1:4)	4.0	16.0	20.0
Medium Sterilisation	(1:2)	4.7	9.6	14.3
High Sterilisation	(1:1)	5.1	5.1	10.2

19. It may be seen that when the desired number of sterilisation acceptors is reduced by a million, we have to recruit about 10 million acceptors under other methods because of the low level of effective protection under temporary methods. There are obvious infrastructural limitations in recruiting and servicing such large number of clients, but at no stage would the number of sterilisation acceptors exceed the number of acceptors of other methods.

20. Further, sterilisation in the context of a scheme of incentives and disincentives affords a system of verification of performance and secures the cost-effectiveness of the incentive scheme. An individual incentive scheme appears to have a better justification for acceptors of sterilisation, firstly because it being a terminal method the people are required to make a clear decision about the size of the family and secondly, being a surgical method, it requires hospitalisation and after-care. In temporary methods, because of high discontinuation rates, one-time incentive payments may be wasteful of resources. Also there could be a tendency on the part of functionaries to exaggerate the figures without fear of being detected. Also record keeping for such large and scattered clientele presents a problem. This is however not to suggest that temporary methods should not be brought under the purview of incentives. While incentives to sterilisation acceptors can successfully operate even on the basis of an individual who is properly screened, incentives in the case of temporary or spacing methods may require a community back-up or a deferred payment basis (asin UPASI) so that the beneficiary periodically confirms non-pregnancy to claim the instalment of benefit. Such a procedure secures cost-effectiveness of the monetary inputs.

## EXPERIMENTS IN ASIAN COUNTRIES:

21. Social and economic incentives and disincentives have been a part of policy on fertility control in certain Asian countries. The Tianjin Industrial City Programme in China is typical of such programmes throughout China.\* Under this programme, single-child certificate has been issued by the Municipal Revolutionary

\* 'Contraception in China' Gordon Perkin, POPULI, Vol 7, No. 4, 1980



Council. This certificate records the name of the child, mother and father and the place of employment. The advantages conferred by this certificate are:

- (1) gives couple a priority for assignment of living accommodation;
- (2) assures the child admission to the Kindergarten (Admissions to which are difficult since the applicants exceed the available seats);
- (3) mother with an only-child certificate can proceed directly to see a doctor rather than waiting in the line;
- (4) one child families normally receive a bonus (about Rs. 30/- each month) to purchase food and clothing for the child;
- (5) finally, this certificate is associated with prestige since the bearer and her husband are perceived as persons with social responsibility.

Economic sanctions are recommended for couples who have a second child after being rewarded for having one child:

- (1) Ten per cent of the monthly wages would be deducted until the child is 14 years old.
- (2) The child is denied participation in the family's cooperative medical programme.
- (3) The mother would not be eligible for paid maternity leave.
- (4) Workers who violate even the two child norm will be denied promotion for two years.

However, the Tianjin programme does not rest for its success on incentives and disincentives only. The delivery system of contraceptives is highly effective as many men and women receive their contraceptive supplies at work. Where they are not employed, they are registered and supplied contraceptive by a voluntary community agent, generally an elderly retired woman in the community. By combination of these methods, Tianjin has an impressive record of affording contraceptive protection to nearly 85% of the eligible couples in 1979 when the total population of the industrial city was estimated at 7.4 million.\* IUD is the most popular method (30%), followed by Oral Pills (24%), Sterilisation (18%) and condoms (14%). Admittedly, China's programme, as is to be expected, has a strong ideological background. There is publicity and guidance to family planning in the production brigades. In each production brigade, there is special board of family planning headed by party secretary. Free supply of contraceptives and services, equal pay for men and women, provision of nurseries and kindergartens are listed as supportive measures in the plan for population control in China, which has as its objective the reduction in growth rate to half-per cent by 1985.

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\* For entire China it is estimated that 80 million couples are regulating their fertility because of widespread availability of contraceptives combined with incentives and disincentives.



22. "Some economists have calculated that nations with a surplus of unskilled labour will save a substantial sum for each birth prevented and based on these calculations, a number of plans have been tried to share this 'savings' with couples who refrain from bearing additional children. Under such plans, countries have tried different types of incentives on an experimental scale. The Government of *Philippines* has experimented with varied incentives and disincentives for promoting family planning and the population policy itself provides for the examination of such a scheme in the context of legal and administrative policies designed to bring about a harmonious balance between the size of the family and socio-economic goals of the country. Incentives included pension plans, insurance benefits, savings deposits and other social security benefits. No-birth bonus was payable to female employees who do not utilize their maternity leave for a certain number of years. Currently new initiatives linking income-generating activities to reproductive behaviour are being discussed. In *Sri Lanka* couples whose marriages were registered after January 1978 will be eligible for a 10 per cent increase in pension if they have only two or fewer children. In *Indonesia* trust funds were provided to the community at the beginning of the programme rather than wait for a specific performance to be rewarded. Family Planning acceptors could use these funds for launching income-generating projects. The emphasis in *Korea* is on social support for the two-child family and modifying the laws so as to discourage son-preference. The Government intends to limit maternity leave and educational costs subsidies for families with two or fewer children, while additional resident taxes will be levied on couple with more than three children. The importance of people "seeing an immediate benefit from family planning" is the basis of integrated community development in *Thailand* in which the Community-Based Family Planning Services (CBFPS) is used as "a spring-board for income-generating or partially self-financed activities to enhance the quality of life". One disincentive was also introduced in 1979 under which the living expense assistance paid to government employees (S30 per child per year until 18th year was restricted to the first three children.

23. Experience of Asian countries shows that, "to be successful, programmes using incentives, disincentives, or integrated community approach, will have to be formulated as consistent, clearly defined and well communicated policies, responsive to development needs and sensitive to local autonomy and values, with dynamic leadership to obtain and nurture continued political backing" (H. P. David, op. cit).

## LEGAL AND ETHICAL IMPLICATIONS

24. Population policies followed by Government are usually of two types: Population-responsive policies and population-influencing policies. The former are designed to ameliorate or overcome the effects of rapid population growth (employment, food supply, housing etc.) while the latter seek to bring about a



reduction in fertility, mortality and national growth rates and influence internal migration. Family Planning programmes and other policies related to fertility reduction, public health and nutrition programmes that lower mortality are in the second. A scheme of incentives and disincentives is appropriately a population-influencing policy.

25. Simone Veil, the Foreign Minister of France raises\* a basic question, "Is population policy a legitimate concern of the state?" and answers by pointing out that the basic responsibility of a state being the socio-economic development of a country to secure the maximum well being of its citizen (both present and future) state concern in the demographic domain follows from that responsibility. People may not be averse to the indirect influence of development on fertility but would they approve direct interference? Thus the question is not one of legitimacy of the population policy *per se* but the legitimacy of the methods of implementing the policy.

26. A scheme of incentives and disincentives, whatever their necessity and expediency should conform to legal and ethical code in our democratic set up. For this, the legal and ethical implications need to be studied against two dominant and somewhat conflicting requirements:

(a) The emphasis placed by the World Population Conference — Plan of Action (1974, Bucharest) and supported in other forums such as Tehran proclamation on Human Rights (1968) and the Commonwealth Parliamentarians Conference on Population in Colombo 1979 about "the right of couple to decide *freely* and *responsibly* the number and spacing of their children" and the States' responsibility "to make available information and education and the means for couples and individuals to exercise this right".

(b) The excess fertility of individual couples though time is increasingly passed on as a "burden" to the entire population. Does the state have an obligation to protect society and the nation against excessive reproduction by individual couples?

27. The points that need consideration against this twin-background are:

(a) How does the scheme of individual incentives and disincentives affect the procreative freedom as a basic human right?

(b) Are any obligations attached to this right?

(c) Are human rights absolute; are not human rights inter-related?

(d) How are rights of individuals circumscribed by rights of society under the social view of law and life? Should individual freedom be absolute or regulated in a social context?

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\* Speech delivered on 'Human Rights, ideologies and population policies' at the meeting of the International Union for the Scientific Study of Population, 1977, Mexico.



28. A Study Committee of the National Academy of Sciences of USA has aptly observed:

“True freedom to determine family size can be realised only if it is like all other human freedoms tempered by the concern of the individual for the rights and interests of others. The essence of the matter is to protect both society and individual. In this instance society needs protection from the undesirable effects of high fertility and the individual needs protection from ignorance, coercion and inequitable access to the technical resources of society.”

Accordingly they recommend “government and private efforts should be expanded to accelerate the trend towards the smaller family and the sense of individual responsibility towards society”. There is no real freedom without responsibility or knowledge. Freedom to procreate therefore presupposes that parents have thought about the children for whom they will be responsible and that they accept such responsibility.

29. Assuming that the nature of a family planning programme was simply to assist the household in implementing its own plan to achieve an “optimal income — leisure — children configuration; the question arises how to induce families which appear to benefit from large number of children to take part in family planning programme which will benefit society as a whole. Two approaches are the use of coercion and the use of incentives. In this context incentives are a payment made by society to a family which has foregone the ‘welfare’ of having additional children by practising contraception. The benefits and costs for society as a whole of a child added in one family will be different from those of parents and these differences “justify social intervention to influence the fertility behaviour of parents.”

30. While the freedom of a couple to make reproductive decisions must be “tempered by the concern for the rights and interests of others” the “first and most obvious interest is to protect the children already born within the family.” If the argument is that a policy of government providing incentives to contraceptors interferes with the basic right of procreative freedom of the couple, what is the position of the basic right of the new born and of the progeny in regard to education, employment etc. which the state has to provide within the limited financial resources. Should the state take on the social burden of high parity children which are unplanned and unwanted pregnancies at least from the emotional and psychological view of a ‘child’? If procreative freedom is a human right, how many couples bring forth children conscious of and in exercise of such a right? If it is assumed that parents ordinarily have no conscious rationality beyond the second or third child (containing both sexes) does the state have a right to take pre-emptive action to prevent births beyond the second or third child by offering incentives to acceptors or applying disincentives for ‘irresponsible’ fertility behaviour in terms of societal norms? In the name of procreative freedom as a basic right,



do parents have an unquestioned right to impose on the coming generation of human beings a handicap by their very numbers, in a limited resource situation? If children provide both economic and psychic or social benefits to their parents, they also produce 'costs' to the State on pregnancy, delivery, feeding, clothing, housing, medical care etc.

31. Is it not exploitation, if parents try to get economic gains from their progeny through child labour and is it not appropriate for the State to enact laws prohibiting child labour or making education compulsory so that parents lose the benefits of their children's earnings and on the other hand incur costs to support them? If it is argued that there is a pro-natalist value orientation in a traditional society which places a premium on a large family, is it not arguable that family planning presents an alternative to these traditional values. Family planning is to be viewed not as a mere negative process of preventing births but in its positive role as a process of human development. Further the submarginal labour which the children contribute can be performed by the surplus labour available in the community. Cannot the State adopt a policy of disincentives that reduces the benefits and increase the costs to parents of having children beyond two or three and at the same time provide social security, old-age insurance and similar incentive schemes which lessen the economic incentive for having children beyond a prescribed number or provide priority health-care and nutrition programme which reduce the mortality and morbidity of children already born and improve the physical quality of life? If social security is provided would it not change the value orientation toward children — particularly son-preference? Are not such incentives and disincentives consistent with human dignity (including the dignity of the unwanted and neglected babies) and distributive justice? In a country of limited resources, it is not reasonable for the government to warn the parents sufficiently in advance about free education not being available for the third and higher order children and on the other hand provide education bonus to those who adopt a two-child norm? Once the options open to couples are clearly spelt out, is not the voluntary nature of the programme still maintained? It would appear to be a minimum restriction on individual freedom if the government were to build gradually the peoples' attitude towards a small family norm by judicious use of incentives. In sum, it appears that a programme of incentives and disincentives to raise the level of peoples' consciousness and to help voluntary acceptance may be in order.

32. Is freedom to procreate the only ethical imperative in population policy? Is not "freedom" a matter of psychological conditioning to social norms and common well-being? If a person's right to marry is circumscribed by the law relating to minimum age at marriage, because the objective of the law is to promote the health of the mother and the child and if it is legal and ethical to adopt medical termination of pregnancy (MTP) in the interest of mother's health, is not such a social view of law and life applicable to the prevention of "excess" birth in the interest of welfare of children already born in a poor family? It is worth noting that children below 15 years are concentrated (55 per cent) in families with a *per capita* monthly expenditure of less than Rs. 51. How else do



we tackle the vicious circle of poverty and high fertility? A conference of ulemas in Bangladesh 22-24 March 1982 emphasized that according to the Koran the parents have the mandatory responsibility to ensure proper health education and training for each of their children. 'Population control did not mean genocide of the unborn, rather lack of it meant a brutality against posterity'. The first National Conference of Indian Association of Parliamentarians for problems of Population and Development (IAPPD) adopted in May 1981 a Declaration that family planning must be recognized as a basic human right and that a child's right not to be born to a life of degradation must be respected fully.

33. As Simone Veil observes "sexuality and reproduction is increasingly considered the responsibility of the couple alone, whereas responsibility for the consequences of reproduction — that is, for the child's — is increasingly socialized. How then do we protect the privacy of adults, the autonomy of each of the marital partners, and the many rights of the child for which the state is responsible: the right to education, to good health, to culture and so on? The basic question is how to reconcile two categories of rights: the social rights or the rights "to be obtained" as opposed to the basic rights "to do". Can the state in developing social rights risk jeopardising fundamental rights. Simone Veil concludes that while it is legitimate for the state to intervene in the domain of population when population change produces imbalances, in policy implementation, the state must protect the fundamental rights of individuals while ensuring the social rights of the people. It is therefore essential that consistent with this twin responsibility of the state to the individual and to the society, coercion and punitive elements should not enter into the methods of intervention in the demographic domain.

34. Lester R. Brown, President, World Watch Institute in his report 'Twentytwo Dimensions of the Population Problem'\* observes under the Section on 'Individual Freedom' that "as more and more people require space and resources on this planet, more and more rules and regulations are required to supervise individual use of the earth's resources for the common good and sums-up by emphasizing that "population-induced scarcity makes muddling through in a basically laissez-faire socio-economic system no longer tolerable or even possible. In a crowded world menaced by ecological stresses and resource scarcities, the only alternative to self-discipline in consumption and procreation may be a situation in which the grip of planning and social control will by necessity become more and more complete". Thus the alternative to self-discipline in procreation is social control.

35. A certain inconsistency in policy would remain as long as the interests of the individuals are not synonymous with that of the state. In considering the legitimacy of the state action, it has to be recognised that human rights *per se* have no meaning without the existence of the conditions and environment in which the exercise of such rights has a purpose and relevance. Likewise, economic and social rights

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\* Population Reports : Series J, Number 11, November 1976.



will have a meaning for the population only if their basic minimum needs are met by the society or by government. For example, the right to good health has no meaning without the state insisting on compulsory vaccination and providing the means. In the same way, the state in its endeavour to reach a level of development necessary for the welfare of the people has a responsibility to modify the conditions under which individuals and couples make choices about fertility behaviour. Here again Simone Veil comments that incentives are preferable to penalties and no course of action should be imposed. Compulsory sterilisation and other involuntary fertility control measures represent gross violation of individual freedom. In the case of punitive measures, one must be sure that the person affected is the one responsible for the undesirable procreative behaviour. We should scrupulously avoid making the child suffer the brunt of the penalty or penalising the parents who act only from ignorance.

36. The Jurists on the Task Force were of the view that there is need to draw up a concise and meaningful programme of incentives which can apply to the masses, while disincentives should be limited to those which could be introduced without infringing the fundamental rights. In their view, it would be difficult to draw a line *ab initio* to distinguish between those who benefit from incentives and those who are losers. The legal aspects could be considered by the court only on specific and individual cases when the nexus between what is given and what is denied is discovered. Any scheme of incentives and disincentives should be more personal to the parent and should not affect the rights of the children.

37. On the legitimacy of State action, the jurists felt that it could be considered against two sets of parameters: the voluntary frame and the reasonable frame. Though a State has responsibility towards a citizen of today as well as of the future, any action by the State would be judged not merely in terms of intentions but also of the consequence. For example, if, as a disincentive, it is intended to penalize a parent for producing a third or fourth child, by way of denial of educational rights of those children, such a consequence for the child is open to question. The jurists opined that *in devising a scheme of incentives and disincentives, emphasis should be on affirmative action with a reasonable margin*. For example, instead of penalising the third or fourth child (by denial of education), the scheme could envisage preferential treatment for the first and second child by stipulating that for a certain percentage of seats in educational institution, preference would be given to the first and second child. Because of such requirements, the jurists felt that disincentives cannot be introduced in any arbitrary manner; they have to be moderately conceived and implemented. An example of disincentives which is personal to the parent (and does not directly affect the child) is to charge the mothers progressively for maternity assistance.

38. On the question of group and community incentives, the jurists felt that they could largely be classified as affirmative action by government and could therefore be adopted. For any successful scheme, it would be necessary to be clear about the target to which the scheme has to be beamed.



39. The *prerequisites* of any scheme of incentives and disincentives is, therefore, a broad based, easily accessible and effective information and education programme concerning the action proposed by the State to limit the size of individual families over a time-frame and a clear indication of the options that are before the people to choose from. This may not be a legal measure but an executive measure designed to provide a basis for a scheme of incentives and disincentives. In this way the voluntary nature of the programme is still maintained and what is even more, the choice is made by people with a full knowledge of the options. Community leaders and work-groups can discuss the options, advise their members about the choice and ensure implementation. Similarly, Panchayat Samitis, Women's clubs, Co-operatives, Trade Unions and voluntary organisations can give not only publicity but advise their members on the choice of options. It is such actions over a wide-front that would make family planning in India a peoples' movement. Emphasizing that a scheme of incentives requires for its success a good communication base, the Task Force observed that what went wrong with the earlier scheme of incentives was due to its rigidity and closeness. We want an open atmosphere and continued dialogue in using an incentive scheme to recruit acceptors. Effective methods of communication need to be developed in rural areas and the communication strategy should tell the people how family planning is beneficial.

40. A scheme of incentives and disincentives, as they had operated in the past, has been criticised as being discriminatory or exploitative of a group — the public servant. This raises a basic question: does an employer have a special right to regulate the fertility of the employee under threat of curtailment of their rights? Is the State not justified in expecting from a public servant a higher degree of social consciousness and self-control in procreative freedom and does this tantamount to discrimination? On the other hand if a State rewards public servants who are acceptors of family planning, is not discriminatory against acceptors from the public who have no scope for such rewards. A rational argument could be that a public servant has certain additional rights derived from his occupational status over and above the basic rights as a citizen and that if a government regulates his service rights without effecting the basic rights of others, there is no discrimination against the public in the conferment of such rights on public servants and there is no exploitation of the public servant in the withdrawal of such rights. But it would certainly be exploitative of a public servant if any of the rights or benefits due to them are taken away for not achieving a 'quota of motivation' unless such a function is within the job description of such an official such as, for example the block extension educator. *Family planning should be seen as a means to an end and not an end in itself.* Incentives to motivators or outreach workers may distort this perception

41. While a scheme of incentives and disincentives should satisfy legal and ethical requirements, it happens that certain laws could themselves be an incentive in moderating fertility. Mention has already been made of laws prohibiting child labour, which would make the parents think about 'how much children would



cost rather than how much they would earn'. Likewise, in traditional societies which are characterized by son-preference because of inheritance and other rights conferred on the son (and in that situation procreation goes on at least till a son is born), if a law changes such discrimination against a daughter, the parents would be less inclined to procreate till the arrival of a son. In this context, it merits consideration whether the legal framework in India needs revision to change the traditional attitude of people on 'son-preference', which constitutes a major impediment to increased family planning practice.

42. A discussion on legal and ethical implications of a scheme of incentives for fertility control would not be complete without a reference to the interdependence between the status of women and their fertility. The World Plan of Action for Women (Mexico, 1975) states: "The status of women and in particular their educational level whether or not they are gainfully employed the nature of their employment and their position within the family are all factors that have been found to influence family size. Conversely, the right of women to decide freely and responsibly on the number and spacing of their children and to have access to the information and the means to enable them to exercise that right has a decisive impact on their ability to take advantage of educational and employment opportunities and to participate fully in community life as responsible citizens". Noting that the hazards of child-bearing resulted in high rate of maternal mortality and morbidity, the World Plan of Action called for the removal of all legal social or financial obstacles to the dissemination of family planning knowledge, means and services. Also the United Nations Convention on the Elimination of Discrimination against Women has emphasized women's right to family planning and its contribution to the improvement of her status. Considering that family planning itself is the starting point of emancipation of women, it would be useful to consider the type of incentives that would enable (particularly rural women) to exercise their right to family planning in the socio-cultural milieu in which they live. Employment opportunities would be an ideal solution. But would they be available in sufficient quantity in a short time and nearer 'home'? Would education and vocational training for rural women constitute an essential preparatory step and an incentive for promoting family planning?

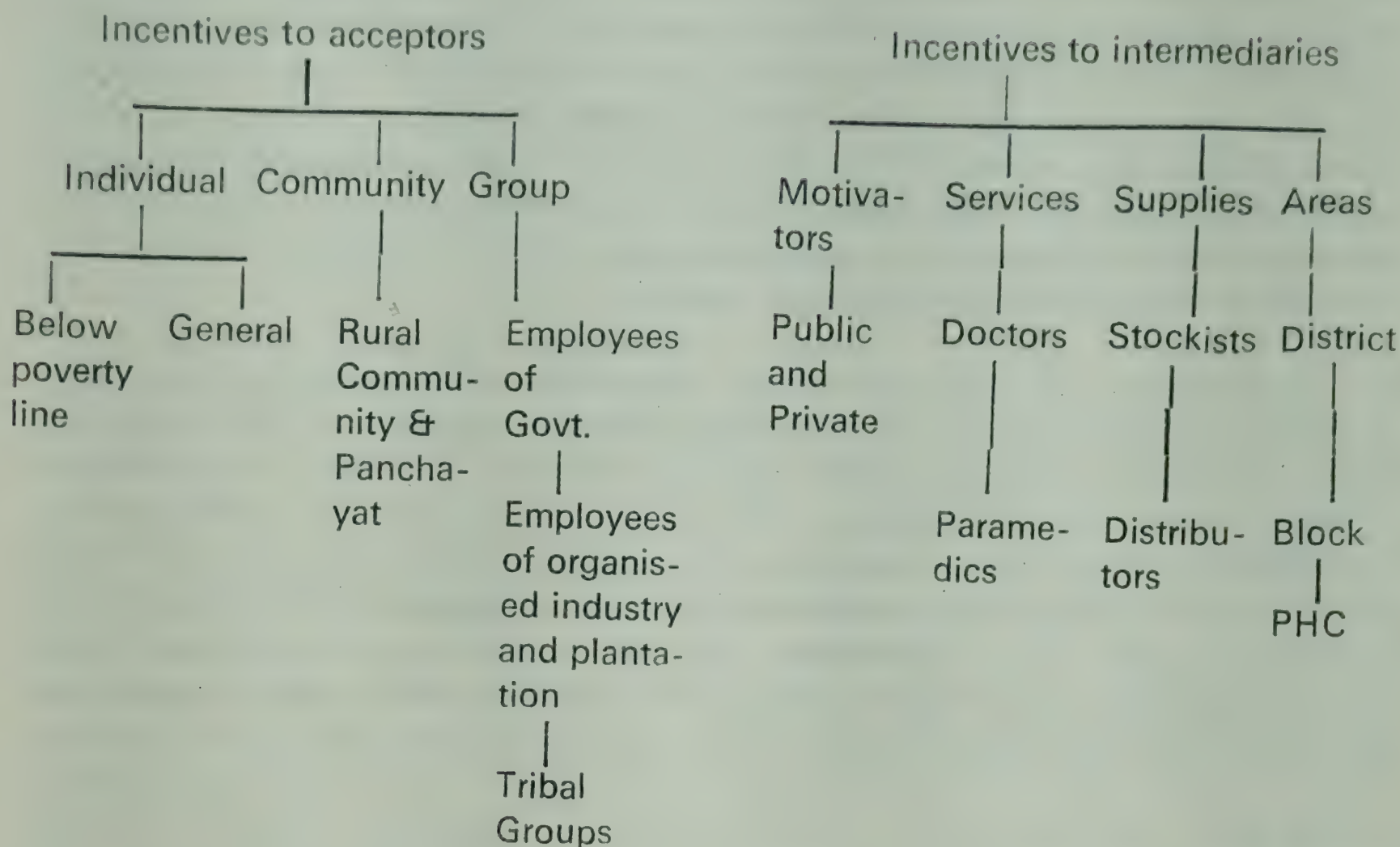
## **NATURE AND SIZE OF INCENTIVES**

43. The Task Force identified a four-category target group for incentives comprising:

- (i) private households (or individual acceptors),
- (ii) communities or groups (which attain a certain level of acceptance),
- (iii) change agents (motivators from the public or private sector)
- (iv) intermediaries (stockists and distributors of contraceptives and service providers).



The suggested scheme is :



Regarding incentives to motivators, there were divergent views in the Task Force. One view was that under incentives functionaries would become mercenaries and resort to coercive methods. Contrarily, it was suggested that incentives to motivators are more important than incentives to acceptors but such incentives should be given only after the follow-up of the acceptors.

44. Any scheme of incentives and disincentives to be successful has not only to be legal and ethically justified but should also be economically viable and capable of implementation in a limited resource situation. Theoretically, the options can range from "development" as a "fertility moderator" to a small monetary incentives to an acceptor below the poverty line. Though it is possible that development measures do increase motivation for small families, the critical question is "what are the development thresholds." A study\* in Egypt (population 41 million) calculated that in order to reach the threshold level of economic development that would by itself reduce fertility, the per capita income has to increase, to about \$900 (Rs. 8,400), which is more than six times the per capita income (Rs. 1,380) of an Indian in 1979-80. It is neither possible to increase national income by these proportions in the short run through development nor do we have time to wait until the slow process of development works out its beneficial effects.

45. This is not to under-rate the importance of socio-economic development in moderating fertility. *What is needed is that our direct approach to reducing excessive fertility through incentives must themselves be development-oriented*

\* Quoted in Draper Fund Report on Population and Development No. 7, 1979.



*and distributive.* People would want to reduce the size of their families, if they have new opportunities, new expectations and new hopes. In other words, development projects and programmes which improve the physical quality of life and simultaneously increase the demand for family size limitations are the type of incentives which have optimum features and create a compelling environment for natural acceptance of family planning. These criteria are likely to be met in community-incentive scheme and group-incentive scheme. The Task Force also considered it a wholesome idea to link community incentives to basic developmental issues and infrastructural facilities. Such community incentives, in their view, could appropriately lead to social targeting in family planning. Area based schemes such as employment guarantee schemes and food-for-work programmes could be linked with incentives. Such large incentive models consider family planning as part of an overall strategy of social and economic transformation. Development incentives to PHC, Zilla Parishad and Panchayat based on their performance would have a favourable effect on the programme. The Indian Association of Parliamentarians (IAPPD) recommended incentives to be given in the form of accelerated development to localities/communities for collective effort and achievement in the sphere of family planning.

46. Each identifiable community such as village panchayats, urban wards, workers' colony, etc. could be informed about the incentives that would be available to the community if they are able to achieve the prescribed level of performance in terms of proportion of couple protected through modern methods of contraception or the number of births in the community. Once the base-line data is available, such goals can be easily set consistent with the state level demographic goal. Community incentives besides securing community participation in the programme would thus also prepare the ground for a community level "population planning". The Task Force recommended that voluntary bodies need to be provided two types of incentives—a doctor to render services and money for supplies. Likewise, an incentive scheme for self-employed was also suggested.

47. The hard demographic fact of India is that time already lost in fertility reduction makes the task increasingly difficult in future. Because they are urgent, far-reaching and pervasive, solution to population problem must involve several Ministries. Fertility reduction could be more rapid and successful if population-influencing policies in education, health and sanitation, food and nutrition, social welfare, transport and communication could be brought into "convergence" at the area or community level through suitable community-incentive schemes. Fortunately, it so happens that these very factors also influence the rate of population growth. Each of the Ministries concerned with population planning could suggest suitable incentive schemes as part of its area approach to planning or under the minimum needs programme. Illustrative of these types of incentives are construction of rural roads, digging of wells, provision of pump sets, establishment of PHCs, primary school, co-operative marketing facility etc. The Task Force endorsed this suggestion and emphasized that population issues need the involvement of every agency of the Government and that it was only through multi-



departmental effort that benefits could be beamed to the impoverished segments, who also need family planning services.

48. Another critical area is the quantum of incentives. These considerations do not apply to group incentives because such incentives which are asset-forming would depend on the nature of the group, the size of the group, the location and the priority needs. What should be the quantum of incentive to individual acceptors? Do monetary incentives in the range of Rs. 100-200 for an acceptor of sterilisation (as at present) attract freely the acceptors or such incentives require backing through official pressure or persuasion which affects voluntary acceptance. To get over this undesirable trend, what is the level to which the compensation must be raised and how is the level to be determined. If we consider sterilisation (in which the acceptor decides to forego his interest in additional children as old-age security), should the incentives for sterilisation be adequate to provide such security either fully or partly. Another concept is the value of a prevented birth. However, estimates have varied over a wide margin from Rs. 690 to Rs. 7,800\*. If we accept an intermediate figure of Rs. 4,000 as an incentive to an acceptor of sterilisation which is the method with 100 per cent effectiveness in preventing a birth, and apply it to the level of 4 million sterilisations which is the minimum annual number required to take us to the demographic goal of  $NRR = 1$  by 2000 AD (with other methods having the major share of acceptors) the funds required for the incentive scheme (for sterilisation acceptors) would be Rs. 1,600 crores annually while the family welfare budget for the entire Sixth Five Year Plan is Rs. 1,010 crores. When investments of these orders are contemplated, the questions that arise are:

- (i) are they a proper means of securing distributive justice?
- (ii) would investments of the same magnitude in other than family planning, especially in health and literacy be more beneficial?
- (iii) if such investments are made in family planning for improving educational and motivational programmes or in 'flooding' rural areas with contraceptives would we get better acceptance rates?
- (iv) do high incentives apart from adding to the cost, take the family planning programme out of context of an integrated approach and family welfare?
- (v) can high incentives be maintained as a long-term policy?

Ready answers to these critical questions on investment options are not available. Unfortunately in population studies 'controlled experimentation' is not easy. Such answers have to be based on 'experimental designs' involving large population segments. The Task Force also observed that high financial inputs in incentives would have to be considered against the economic consequences and alternate uses of scarce resources such as, for example, in promoting literacy among women.

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\* Quoted by Freedman and Berelson in *Studies in Family Planning*, Vol. 7, No. 1, January 1976.



49. In the absence of knowledge about the alternative investment options, the only course left is to assume that cost-effectiveness of high incentives may not be high and choose a modest figure for one-time monetary incentive for sterilisation acceptor as Rs. 500 and apply it selectively to those who have only two children. It is also to be considered whether such incentives may be paid in cash or linked with a scheme of social security. For example, the Finance Minister had announced in the 1982-83 budget a social security certificate scheme for persons of small means under which an individual in the age group 18-45 can invest upto Rs. 5,000 which will triple in 10 years. This is a scheme which combines thrift with security as the certificates provide social security for the family. The certificate will be in denominations of Rs. 500 and Rs. 1,000. Those who undergo sterilisation after two children can be given a certificate for Rs. 500 or if they purchase a certificate for Rs. 1,000, the Government could contribute Rs. 500. Schemes of this type such as reduced premium for sterilisation acceptors (with two children) on Postal Life Insurance Policies or enhanced maturity value are already under consideration of Government in the case of Central Government employees. The idea behind such social security schemes is that they:

- (1) do not constitute undue allurements;
- (2) prevent the incentive money from being squandered by diverting them to long-term family security;
- (3) are less amenable to shady dealings which affect cash transactions.

The Task Force while accepting the figure of Rs. 500 as cash incentive suggested that the scheme could concentrate on the three lowest deciles of population. This would be attractive as it represents a lumpsum equivalent of about 3 or 4 months salary earnings of a person in this group. Also, while individual incentives in cash may attract the poor, social security schemes and deferred payments are preferable.

50. While individual one-time cash incentives applied to the general public need reconsideration in the light of the observations made above, there is a case for such incentives in increasing the acceptor rate in organised communities such as industrial workers or plantation labour where such schemes have operated. TATA offered Rs. 400 for employees or spouses for sterilisation and Rs. 200 for non-employees.

51. In the case of monetary incentives for sterilisation one point worth noting is that the method is female-oriented with a ratio of 1:4 between vasectomy and tubectomy since 1977-78. Is it desirable to shift the contraception burden as far as this method is concerned towards males by offering them a higher incentive? There was divided opinion in the Task Force on this subject. The need to retain the initiative of women in sterilisation and the possibility of an overall drop in sterilisation acceptors arising from the shift constituted one set of opinion while others felt that family planning should be a shared responsibility and that technological limitations in tubectomy in rural areas favoured concentration on vasectomy.



The Indian Association of Parliamentarians (IAPPD) has recommended a differential structure of incentives with higher incentives for men.

52. A critical question in introducing a scheme of individual incentives is the size of the family. Though a two-child norm is suggested by the long term demographic goal, it would be difficult to adopt this norm right away till an attitude for this norm is built. The distribution\* of births by birth order in 1978 shows that 56 per cent of the births in rural areas were of third and higher order. No doubt high parity births are coming down — births of fourth and higher order which constituted 47 per cent in 1972 declined to 39 percent in 1978 in rural areas and from 44 per cent to 33 per cent in urban areas. If the incentive schemes succeed in preventing even the fourth and higher order births the number of births in a year could be reduced by one-third. If a two-child norm itself is desired, differentials may have to be introduced in the incentives. The Task Force also suggested a scheme of differential incentives for one, two and three children as this had a communication element in its 'preference scale'.

53. Another type of individual incentive scheme of a long-term nature is the deferred payment scheme. The United Planters Association of India (UPASI) had integrated family planning with comprehensive labour welfare scheme (1978). As part of the scheme, they paid Rs. 5 per month as no-birth-bonus into the beneficiaries' account and the accumulated amount was paid when the women reached age 45. If any of the beneficiaries had a third or fourth order of birth then deductions were effected from the bonus amount with a total forfeiture for the fifth birth. Such deductions are not a denial of workers' right because the bonus amount from which the deductions are made is not a part of wages but an ex-gratia payment. The advantage of such deferred payment schemes is that they could be applied to contraception through temporary methods or spacing methods, such as IUD, condom and oral pills. Also such schemes can be monitored because the beneficiaries would periodically have a medical check up. Since more than half of the acceptors required to take the nation towards its demographic goal of a birth rate of 21 per thousand by 2000 AD may be using spacing methods (in which there is no fear element as in sterilisation), deferred payment incentives have an appeal and scope. The Task Force emphasized that incentives should not be confined to sterilisation acceptors as spacing methods are even more important as they enable family limitations at an early stage and hence more consequential for fertility reduction. Also deferred payment enables continued control over the fertility behaviour of the beneficiary. While in the case of organised groups like industrial workers, public sector employees, members of co-operatives etc., the operation of deferred schemes may be easy, in the case of general public suitable organisational structure may have to be created.

54. Another scheme of incentives which may be applied to those who limit their families to two children is the provision of educational bond for the parents. Under

\* Survey on Infant and Child Mortality, Registrar General, India (1978).



the bond the State may undertake to provide educational facilities or may subsidize the education of two children.

55. A green card for "two-child family" may be supplied to the mother or father to get priority in medical attention in government hospitals, in allotment of houses or house sites, in providing electricity or water connections, in allotment of scooter etc. Indeed, the possession of the green card should progressively improve the social status and respect for such families. The demonstration effect of such benefits derived from the green card could be an important source of motivation to those who come in contact with such families. The Task Force agreed that non-monetary incentives such as treating an acceptor as a VIP in the provision of social services would have a profound demonstration effect.

56. An elaborate list of incentives for family planning that would fit into the socio-economic development pattern and in particular the basic minimum needs approach could be prepared by different ministries for consideration and co-ordination by the Planning Commission. A long term reduction of family size can come only out of a perception of well-being which in turn requires that basic needs (drinking water, food, health and housing) are met. A list of incentives and disincentives that could be considered by individual Ministries to promote the adoption of a small family norm is given under Recommendation.

### **RECOMMENDATIONS ON INCENTIVES AND DISINCENTIVES FOR PROMOTING FAMILY PLANNING**

1. With a population base of 700 million in 1982 which could grow to a billion by 2000 AD even with a 2 per cent annual growth, the task of achieving the demographic goal of Net Reproduction Rate of One by 2000 AD for the entire country is a grim challenge. The time factor definitely compounds our population problem both quantitatively and qualitatively and we therefore need a stronger and pervasive family planning programme so that contraceptive protection is made available to an average annual increase of 3.5 million couples.
2. It is necessary to go "beyond" supplying information, contraception material and family planning services to individual couples, by adoption of policies by government and non-government bodies which seek directly to influence the fertility behaviour of families through a comprehensive scheme of incentives and disincentives, so that people can see an 'immediate benefit' from family planning.
3. To the extent that a scheme of incentives works efficiently, there may not be need for introducing disincentives on a large scale. Yet some specific disincentives applicable to individuals on a moderate scale and consistent with legal and ethical requirements seem to be justified to create an image of comprehensiveness in the strategy and convey the serious intent of government in handling the population problem within the prescribed time-frame of 2000 AD.



4. A policy of incentives and disincentives as applicable to individuals has legal and ethical implications. It has to recognize, on the one hand, the right of the couple to decide freely and responsibly the number and spacing of their children and on the other, the obligation of a Welfare State to improve the physical quality of life of the people. The State has a responsibility both to the individual and to the society. While procreative freedom is a human right the consequences of reproduction (such as the care of the child) are increasingly socialized and become a social burden. The State in its endeavour to reach a level of development necessary for the welfare of the people has therefore a responsibility to modify the conditions under which couples make choices about child bearing.
5. Individual freedom of the citizen of today cannot be the only ethical imperative of a population control policy. While such a freedom has to be tempered by the concern for others, a child's right not to be born to a life of degradation must be respected equally. A State can therefore take pre-emptive action to prevent high parity births and 'irresponsible' fertility behaviour in terms of societal norms. It would appear to be a minimum restriction on individual freedom if the government were to build gradually a positive attitude towards a small family norm by a judicious use of incentives and disincentives.
6. To work a scheme of incentives and disincentives in relation to individual families, government is urged to publicize a family-size policy as suggested below :

<i>Incentives zone</i>	<i>Tolerance zone</i>	<i>Disincentive zone</i>
<p>Restricted to 2 children</p> <p>Government to announce a scheme of incentives.</p> <p>Individual families restricting to 2 children get incentives.</p>	<p>Restricted to 3 children.</p> <p>Government appeals to people not to exceed three in national interest. Reduced incentives are offered.</p> <p>Individual families who do not comply face disincentives.</p>	<p>Four Children and above.</p> <p>Government withdraws incentives applicable to the first two children and applies disincentives.</p>

Admittedly, there would be initially implementation problems and possibly even litigation; but once the government's intentions are announced and the scheme becomes operational from a prescribed future date, it would itself have a tremendous educative and motivative value and the problem areas could get narrowed progressively.



7. Stagnant economy and inequitable distribution of income would become permanent unless we act vigorously to reduce the growth of population. If we hesitate now to introduce 'soft' measures, the need for harder measures, a decade from now may become inevitable.
8. Incentives and disincentives should be more personal to the parent and should not directly affect the rights of children. It is not only intentions but also consequences which have to be kept in view and emphasis should therefore be, as far as possible, on affirmative action by the State with reasonable margin.
9. An individual one time cash incentive scheme appears to have a better justification for acceptors of sterilisation because it being a terminal method the couples are required to make a clear decision about the size of the family and being a surgical method, it requires rest and after care. The incentive money needs to be increased to Rs. 500 and paid in cash to the three lowest deciles of population while for others it may be linked to the social security scheme announced in the 1982-83 Budget.
10. It may be impractical to have a tight criterion of two-child norm rightaway because more than half of the births are of the third and higher birth order. A scheme of differential incentives for two and three-child families may have to be introduced so that the communication element in the 'preference scale' may usher in the two-child norm progressively. An incentive of Rs. 500 for sterilisation acceptor with two children and Rs. 300 for acceptor with three children could be effective.
11. For regular employees who undergo sterilisation after two children, there could be alternative types of monetary incentives in lieu of lumpsum payment in the form of:
  - (i) advance increment (s) in salary,
  - (ii) ten per cent increase in pension,
  - (iii) educational allowances for the two children,
  - (iv) lower interest and preference in loans for housing or for purchase of transport,
  - (v) prolonged maternity leave with pay for the mother.
12. The family planning programme needs to be strengthened in permanent and even more in spacing methods as the latter enable family limitation at a younger and hence more consequential age for fertility reduction. From the point of view of cost-effectiveness, verifiability and evaluation, individual one-time incentives may apply to sterilisation but deferred incentive schemes are ideal for temporary methods as it enables continued check over the non-pregnancy status of the beneficiary. Adopting the experience of United Planters Association of India (UPASI), a certain amount of money could be deposited every month in an account to be opened in the name of the bene-



ficiary of spacing method and the accumulated amount given when the women reaches 45 years. If the beneficiary has a third child the accumulation is reduced by half and in the event of a fourth child, totally forfeited.

13. Deferred incentive schemes are suitable for regular employees of the public sector, organised industries, plantations, mines, co-operative societies and educational institutions. Bonus to female employees who do not utilise their maternity leave for a certain number of years, is another effective scheme to delay the first birth or space the second.
14. Besides monetary incentives to the public for adopting the two-child norm, there could be several non-monetary incentives which would have a high demonstration effect. Examples of such incentives are:
  - (i) provision of educational bond to parents who limit to two children,
  - (ii) preference for 50 per cent of seats in all educational institutions to the first and second child in a family,
  - (iii) preference in allotment in public housing projects,
  - (iv) preference in loans for establishing small scale industries in rural areas.
15. Every family adopting the two-child norm may be issued a GREEN CARD which would entitle it to get priority in medical attention in government hospitals, in provision of electricity or water connections, or claim any of the incentives applicable to them. The demonstration effect of benefits derived from the green card could be an important source of motivation to those who come in contact with such families. Indeed, the possession of the green card should progressively become a status symbol in society and build gradually a contracepting society in which family planning becomes a way of life and not an ad-hoc response to an official programme.
16. Besides incentives to individual acceptors, two other categories for whom incentives could be offered are the intermediaries (viz. the stockists and distributors of contraceptives and providers of service such as doctors and paramedics) and the change agents or motivators from the private and public sector. While incentives to private change agents could be offered after a follow-up of the acceptors, any incentive to public functionaries should guard against their becoming mercenaries and agents of coercion and corruption.
17. In the Indian context, there is scope for both individual and community, group or area incentives in promoting family planning. A long-term reduction in family size can come only out of a perception of well-being, which in turn requires that basic needs are met. *What is necessary is that our direct approach to reducing excessive fertility of communities through incentives should themselves be development-oriented, asset forming and distributive so that they could exercise a synergistic influence on fertility by creating a compelling environment for natural acceptance of family planning.* The



target approach to family planning and the annual level of performance prescribed per thousand population would be advantageous in implementing an incentive scheme at area level. Each identifiable community such as village panchayat, urban ward, workers' colony etc. could be informed about the incentives that would be available to the community if they were able to achieve a prescribed level of performance in terms of proportion of couples effectively protected or the number of births in the community in a year. Community incentives are listed in Recommendation 25.

18. Community incentives besides securing community involvement in family planning can also prepare the ground for community level "population planning" using all the contraception methods available.
19. Population issues cannot be a departmental activity confined to the Ministry of Health; they require multi-departmental effort. Fertility reduction could be more rapid and successful if population-influencing policies in education; health and sanitation, food and nutrition; social welfare and women's status and transport and communication could be brought into 'convergence' at the area or community level through suitable incentive schemes of different ministries (which are indicated in Recommendation 25).
20. Development-oriented incentive schemes of different Ministries for promoting family planning may be co-ordinated by the Planning Commission through a "Population Cell" and specific funds earmarked for the purpose.
21. Voluntary organisation (NGO) need to be involved in a big way as incentive schemes operated by them could be more innovative and evoke better response from people than government schemes. All the voluntary organisations who are involved in family planning may be asked to prepare innovative incentive schemes compatible with their service delivery systems.
22. Voluntary women's organizations involved in family planning may be urged to formulate suitable incentive schemes (particularly income-generating programmes), that could be operated through local or area level women's institutions. Such incentives may also be useful in mobilising rural women both for promoting family planning among them and in extension activities.
23. Some of the disincentives which are more personal to the parent and affect the child minimally are:
  - (i) for regular employees no maternity leave benefits for the third or subsequent child,
  - (ii) low priority in admission of third and subsequent children in educational institutions,
  - (iii) cancellation of educational bond given to the first two children if the parent has a fourth child,
  - (iv) a graded increase in accouchment fee charged in maternity hospitals depending on family size (beyond two) and family income,



- (v) low priority in housing in public housing projects for parents with more than three children,
  - (vi) low priority in grant of loans by banks for any purpose if the applicant has more than three children,
  - (vii) for public servants, low priority in allotment of residential accommodation for parents having more than three children,
  - (viii) for public servants, restriction of free medical attention or medical reimbursement to the first three children.
24. There are many prerequisites and corequisites for a successful scheme of incentives and disincentives. These are :
- (i) the *scheme* should be *prospective in its operation* and a firm date from which the scheme operates must be announced. *Disincentives should not affect the children born before this date,*
  - (ii) the scheme should be responsive to development needs and sensitive to local autonomy, structure and values,
  - (iii) there is need for an efficient and incorruptible management,
  - (iv) it is necessary to have a good system of birth registration for which facilities already exist under the Registration of Births & Deaths Act, 1969
  - (v) much depends on the intrinsic appeal of the scheme to couples in varying social and economic conditions. It therefore requires a good and easily accessible communication base, with an open atmosphere and continued dialogue so that people understand how family planning is beneficial and is their normal duty in the national interest. Communication Strategy should also tell the people that incentives and disincentives are not meant to prod them into accepting family planning but to create the circumstances in which they could appreciate the benefits of a small family while the freedom of option is still before them.
  - (vi) an incentive scheme would be successful only within the framework of credible family planning services, in terms of easy accessibility, effectiveness, safety and acceptability. For this, contraceptive supplies and services may be included in the basic minimum needs of the people.
  - (vii) in designing and implementing community incentives, the possible existence of power groups and chances of incentives getting skewed in developmental distribution should be recognised and safeguards provided.
25. Each Ministry could formulate a set of incentives (and disincentives) that would fit into the socio-economic development pattern and in particular the basic minimum needs and promote simultaneously the adoption of a small family norm. An illustrative, but by no means an exhaustive list of community or area incentives for achieving prescribed level of family planning



performance (i.e above 35% couple protection or less than 25 births per thousand population)\* is given :

**(i) Ministry of Agriculture and Rural Health**

- a. On a priority basis improve infrastructure facilities by providing rural roads, marketing facilities and co-operatives on a priority basis in eligible areas.
- b. On a priority basis improve water resources and small scale irrigation facilities in eligible areas.
- c. On a priority basis provide agriculture and animal husbandry extension service facility in eligible areas.
- d. Provide fertilisers, agriculture implements seeds etc. at subsidized rate to the 'acceptor group' in the eligible area.
- e. Create area Co-operative bank for acceptors in eligible areas.
- f. Provide family grants or interest-free loans to eligible families (2 child limit) for developing beehives, chicken, poultry farming and pig-growing programme.
- g. Initiate social forestry scheme.
- h. Subsidize the establishment of biogas plant.
- i. Co-operatives may be asked to suggest suitable incentive schemes for their members.

**(ii) Ministry of Education**

- a. Institution of education bond for two-child families.
- b. Preferential admission for 50 per cent of seats in educational institutions to the first two children in a family and low priority in admission to the third and higher order children.
- c. Establishment of one-teacher schools in eligible areas on a priority basis.
- d. Incentives to improve adult and functional literacy in areas with low performance (less than 15% couple protection) provided they increase their acceptance by 5 per cent annually.
- e. Establishment of education facilities in urban slums which become 'eligible'.

**(iii) Ministry of Finance**

- a. A 'cash reward' or 'Community development fund' to communities or panchayats which have attained a couple protection of 30 per cent. The funds to be administered by 'acceptor group' could be used by acceptors for income-generating programmes.

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\*Such areas are called ELIGIBLE areas.



- b. A 'trust fund' to be created in poor performance Panchayats (below 15% acceptance) which could be used if the acceptor rate increases by 5 per cent annually.
- c. A concession of Rs. 500 in certificates issued under Social Security Scheme (1982-83) to any one of the parents who limit the family to two through a terminal method (concession reduced to Rs. 300 for three children).

**(iv) Department of Personnel**

- a. 10 per cent increase in pension for public servants who limit their family to two children.
- b. Longer maternity leave with pay to the mother who limits to two children and loss of entitlement to maternity leave for third and further children.
- c. Advanced increment (s) not exceeding Rs. 50 p.m. and not absorbable in future increments to all regular employees of public sector who limit the family to two by adopting a terminal method.
- d. Obligation on recruitment to public services to limit the family to two-children failing which a reduction in gratuity or pension.

**(v) Ministry of Health**

- a. A 'green card' may be issued to a two-child family when either of the parents have had sterilisation after the birth of the second child. The card may be designed in an attractive and displayable form and wide publicity be given to the benefits derived from such a certificate.
- b. Voluntary organisations who have established a good record in family planning services may be provided two types of incentives as considered necessary — a doctor to render services and money for contraceptive supplies or free supplies, to promote the programme vigorously.
- c. As part of the integrated approach to health and family planning, successful motivators from voluntary organisations and satisfied acceptors could be given a packet of "needed medicines and contraceptives" to be sold to the public at the prescribed price and the supplies replaced freely by government. The packet may also contain 'Oralyte' (for diarrhoea) and 'antihelminthics' (for worm control).
- d. Initiate schemes for providing subsidized sanitary latrines and community latrines in rural areas as part of parasite-control programme and use it as entry point to strengthen family planning.
- e. Location of sub-centres for primary health care on a priority basis in eligible areas.



- f. Organisation of intensive immunisation programmes in urban slums to focus attention on family planning programme.
- g. Provide incentives to promote Nurses' Association for rendering contraceptive services in their off hours in urban slums and neighbouring rural areas not provided with clinics.
- h. Promote community-based distribution system for condoms and pills and make them progressively self-reliant for undertaking developmental and income-generating activities in the community.
- i. Incentives to indigenous medical practitioners in rural areas to undertake contraceptive distribution.

**(iv) Ministry of Labour**

- a. Expansion of women-preferred industries in rural areas.
- b. Organize food-for-work and rural works programme to build assets in the form of approach roads, irrigation facilities, water supply etc., and involve the participants in family planning.
- c. Effective legislation on prevention of Child-labour and thus reducing the undesirable 'benefits' derived from children in their younger ages.
- d. Labour unions and worker groups may be requested to suggest suitable incentive schemes for organized labour to promote family planning.
- e. Set up vocational training facilities in the eligible areas or for the acceptor group.

**(vii) Ministry of Law**

- a. Recognition of family planning as a basic human right (as recommended by the Indian Association of Parliamentarians on Population and Development, May 1981).
- b. Revision of Laws which discriminate against women to discourage the traditional preference for sons.

**(viii) Ministry of Social Welfare**

- a. Effective implementation of the law on minimum age at marriage.
- b. Establish ICDS schemes on a priority basis in eligible areas (this would indeed be a prerequisite since ICDS inputs would be diluted if the number of children in the ICDS area increases in an uncontrolled manner).

**(ix) Ministry of Works & Housing**

- a. Reservation of 50 per cent of houses in the future Public Housing Projects to the two-child family in which either of the parents has accepted a terminal method.



- b. Preference in sanctioning electricity and water connections to two-child families.
- c. Low priority in allotment of residential accommodation to public servants who exceed the limit of three children.
- d. Subsidize the construction of link roads to connect 'eligible areas' to main roads.



## ANNEXURE - I

Members of the Task Force on Incentives and Disincentives which met on 9th June 1982 :

- (1) Mr. Justice G. D. Khosla, Member, Governing Board, FPF (Chairman).
- (2) Mr. P. Padmanabha, Registrar General and Census Commissioner, India, New Delhi.
- (3) Dr. V. Ramalingaswami, Director General, Indian Council of Medical Research, New Delhi.
- (4) Dr. V. A. Pai Panandiker, Director, Centre for Policy Research, New Delhi.
- (5) Dr. Raj Arole, Director, Comprehensive Health and Family Welfare Scheme, Jamkhed, Ahmednagar District, Maharashtra.
- (6) Dr. P. N. Chuttani, Ex-Director, Post Graduate Institute of Medical Education and Research, Chandigarh.
- (7) Prof. J. D. Sethi, Former Member, Planning Commission, New Delhi.
- (8) Mr. P. G. Ramachandran, Marketing and Management Expert, New Delhi.
- (9) Dr. S. M. Shah, Advisor, Programme Evaluation, Planning Commission, New Delhi.
- (10) Mr. S. P. Ahuja, President, Centre for Research Planning and Action, New Delhi.
- (11) Prof. R. K. Maru, Indian Institute of Management, Ahmedabad.

Besides the above, the Foundation had also the benefit of interaction with a panel of jurists comprising Mr. N. A. Palkhiwala, Mr. Soli J. Sorabjee, Dr. L. M. Singhvi, Mrs. S. M. Bhandare, and Mr. J. Dadachanji.



Disincentives adopted by State Government for promoting family planning :★

### **Disincentives applicable to public servants**

- (1) Disciplinary action proposed to be taken against public servants failing to achieve the quota of motivation for sterilisation etc. allotted to them.
- (2) Grant of Transfer T.A. to public servants upto 2/3 children only.
- (3) Free medical treatment or reimbursement of medical expenses to public servants limited upto 2/3 children only.
- (4) Reimbursement of educational fee to public servants limited upto 3 children only.
- (5) Grant of maternity leave to female public servants limited upto 2/3 children only.
- (6) Denial of encashment of earned leave to public servants having more than 2/3 children only.
- (7) Denial of Government residential accommodation or payment of enhanced rent by public servants having more than 2/3 children.
- (8) No house-rent allowance to public servants having more than 3 children.
- (9) Denial of all loans and advances to public servants having more than 2/3 children.
- (10) Denial of annual increment to public servants having more than 3 children.
- (11) No allotment of houses built by the Housing Board or L.I.C. or other similar bodies or under M.I.G. Scheme or Rent Control Act to Public Servants having more than 2/3 children.

### **Disincentives applicable to the public**

- (12) No appointment to public services for persons having more than three children.
- (13) Appointment to any public service contingent upon signing a declaration to limit the birth of children to 2 only.
- (14) If a person of the eligible category does not undergo sterilization after the birth of upto the third child, he will not be —
  - a) given any loan
  - b) granted a licence for fire arms or allowed to renew such a licence
  - c) allotted a fair price shop

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★ Rearranged from the list given in pp 168, 169 of 'Policy implications of Incentives and Disincentives', 1978 — a joint publication of FPF and Centre for Policy Research.



- d) allotted a house or plot of land
- e) entitled to free medical treatment at Government hospitals
- f) granted educational concessions or scholarships except merit scholarships
- g) granted any facilities offered by the Harijan and Social Welfare Department.











